

AMENDED IN ASSEMBLY JUNE 30, 2005

SENATE BILL

No. 1105

Introduced by ~~Committee on Banking, Finance and Insurance~~
(~~Senators Speier (Chair), Cox, Denham, Figueroa,~~
~~Hollingsworth, Maldonado, Murray, Ortiz, and Scott~~)*Senator*
Speier

March 1, 2005

~~An act to amend Sections 1872.83, 1874.1, and 1877.1 of the Insurance Code, relating to insurance fraud. An act to add Section 10111.7 to the Insurance Code, relating to life insurance.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 1105, as amended, ~~Committee on Banking, Finance and Insurance~~ *Speier*. ~~Insurance fraud: chiropractors. Life insurance: travel.~~

Existing law generally regulates life insurance.

This bill would prohibit an insurer from taking specified actions relating to issuing, renewing, or rating a life insurance policy based upon the applicant's or insured's past or future lawful travel destinations. The bill would allow an insurer to exclude or limit coverage of specific lawful travel, or charge a different rate, when bona fide statistical differences in risk or exposure have been substantiated.

~~Existing law requires the Insurance Commissioner to ensure that the Bureau of Fraudulent Claims aggressively pursues all reported incidents of probable workers' compensation fraud and forwards to the appropriate disciplinary body the names of individuals, licensed as specified, who are suspected of engaging in fraudulent activity.~~

~~This bill would include persons who are licensed under the Chiropractic Initiative Act in these provisions.~~

~~Existing law requires an insurer or other specified person, upon written request of an authorized governmental agency, to release to the agency certain information in connection with motor vehicle theft, motor vehicle insurance fraud, or workers' compensation insurance fraud. Existing law defines "authorized governmental agency" for these purposes.~~

~~This bill would include any licensing agency governed by the Chiropractic Initiative Act in the definition of authorized governmental agency.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~yes~~-no. State-mandated local program: no.

The people of the State of California do enact as follows:

1 *SECTION 1. Section 10111.7 is added to the Insurance Code,*
2 *to read:*

3 *10111.7. (a) An insurer shall not deny or refuse to accept an*
4 *application for life insurance, or refuse to insure, refuse to*
5 *renew, cancel, restrict, or otherwise terminate a policy of life*
6 *insurance, or charge a different rate for the same life insurance*
7 *coverage, based upon the applicant's or insured's past or future*
8 *lawful travel destinations.*

9 *(b) Nothing in this section shall prohibit an insurer from*
10 *excluding or limiting coverage of specific lawful travel under a*
11 *life insurance policy, or charging a different rate for that*
12 *coverage, when bona fide statistical differences in risk or*
13 *exposure have been substantiated.*

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**All matter omitted in this version of the bill
appears in the bill as introduced in Senate,
March 1, 2005.**